

Message Text

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PAGE 01 SINGAP 03718 261131Z
ACTION EA-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00
PA-01 USIA-06 PRS-01 SP-02 EB-08 AID-05 OMB-01
TRSE-00 /044 W
-----068670 261256Z /53

R 261000Z AUG 77
FM AMEMBASSY SINGAPORE
TO SECSTATE WASHDC 8404
INFO AMEMBASSY BANGKOK
AMEMBASSY JAKARTA
AMEMBASSY KUALA LUMPUR
AMEMBASSY MANILA
AMEMBASSY TOKYO

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E.O. 11652: N/A
TAGS: ECIN, EIND, ID, SN
SUBJ: SINGAPORE'S ASEAN DIESEL PROJECT

REF: SINGAPORE 3586

1. THE SINGAPORE PRESS IS NOW REPORTING THAT SINGAPORE AND INDONESIA APPEAR TO BE SMOOTHING OVER THEIR DIFFERENCES ON SINGAPORE'S ASEAN DIESEL ENGINE PROJECT (REFTEL). FOREIGN MINISTER RAJARATNAM IS QUOTED BY THE PRESS AS SAYING ON AUGUST 25 THAT NO ASEAN MEMBER WILL ALLOW DIFFERENCES OVER THE PACE OF ECONOMIC COOPERATION TO UNDERMINE THE WIDER INTERESTS OF THE ORGANIZATION. ACCORDING TO THE PRESFYN RAJARATNAM SAID THAT WHILE THERE MAY NOT YET BE AGREEMENT IN SPECIFIC AREAS OF COOPERATION, THE CONSOLIDATION OF THE FIVE GOVERNMENTS' POSITION ON EXTRA-REGIONAL RELATIONS SHOWS HOW ASEAN MEMBERS CAN MOVE AHEAD IN ONE AREA DESPITE DISAGREEMENT IN ANOTHER. "THERE IS NO DANGER" HE SAID. "NO ONE WILL ALLOW THESE DIFFERENCES TO UNDERMINE THE COHESION OF ASEAN".

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PAGE 02 SINGAP 03718 261131Z

2. FOLLOWING THE EARLIER PRESS STORIES WARNING THAT SINGAPORE MAY BE PREPARED TO GO AHEAD ON ITS OWN WITH THE DIESEL PROJECT IF AGREEMENT CANNOT BE REACHED UNDER ASEAN'S AEGIS BECAUSE OF INDONESIA'S OBJECTIONS, (REFTEL), THE PRESS NOW REPORTS THAT THE INDONESIANS ARE "REEXAMINING" THEIR DEMAND THAT SINGAPORE LIMIT ITSELF TO PRODUCTION OF

DIESEL ENGINES ABOVE 500 HORSEPOWER. ACCORDING TO THE AUGUST 26 STRAITS TIMES, SINGAPORE OFFICIALS ARE "HOPEFUL" THAT PROGRESS IN REACHING A COMPROMISE WITH INDONESIA ON THE DIESEL PROJECT WILL BE MADE AT THE PATTAYA MEETING. OFFICIAL SOURCES ARE QUOTED AS SAYING THAT THEY ARE CONFIDENT BOTH SIDES WILL APPROACH THE MEETING "WITH AN OPEN MIND AND GOODWILL".

3. EMBASSY COMMENT: THE SINGAPOREANS ARE ENGAGED IN WHAT APPEARS TO BE A WELL-ORCHESTRATED CAMPAIGN OF PRESS REPORTS AND PUBLIC STATEMENTS DESIGNED TO SOFTEN UP THE INDONESIANS ON THE DIESEL PROJECT IN PREPARATION FOR NEXT WEEK'S PATTAYA MEETING. HINTS THAT THE GOS MAY GO IT ALONE IN THE ABSENCE OF AGREEMENT AT PATAYA HAVE BEEN INTERSPERSED WITH REASSURING STATEMENTS PORTRAYING SINGAPORE'S DEDICATION TO INTER-ASEAN COOPERATION AND DESIRE FOR COMPROMISE. A VEILED GOS THREAT TO DELAY THE OTHER FOUR ASEAN PROJECTS UNLESS AN UNDERSTANDING CAN BE REACHED ON THE DIESEL PROJECT COULD PROVE AN EFFECTIVE BARGAINING SHIP, ESPECIALLY SINCE THE JAPANESE OFFER OF ASSISTANCE TO THE FIVE ASEAN PROJECTS IS CONDITIONAL UPON AN ASEAN CONSENSUS ON EACH. WE ASSUME THAT THIS IS PART OF THE SOFTENING CAMPAIGN RATHER THAN A SERIOUS CONSIDERATION ON THE PART OF THE SINGAPOREANS AT THIS TIME, HOWEVER, SINCE ACTUALLY CARRYING IT OUT WOULD PUT QUITE A STRAIN ON SINGAPORE'S RELATIONS WITH THE OTHERS. IT REMAINS TO BE SEEN WHETHER LIMITED OFFICIAL USE

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PAGE 03 SINGAP 03718 261131Z

THE CAMPAIGN WILL HAVE THE DESIRED EFFECTS ON THE INDONESIANS AT PATAYA.
HOLDRIDGE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROGRAMS (PROJECTS), DIESEL ENGINES, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SINGAP03718
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770309-0443
Format: TEL
From: SINGAPORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770818/aaaaaosw.tel
Line Count: 97
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 41d05b52-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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